

108TH CONGRESS
1ST SESSION

H. R. 1955

To amend the Higher Education Act of 1965 to allow soldiers to serve their country without being disadvantaged financially by Federal student aid programs.

IN THE HOUSE OF REPRESENTATIVES

MAY 6, 2003

Mr. MCINTYRE (for himself, Mr. RYAN of Ohio, Mr. EVANS, Mr. WILSON of South Carolina, Mr. BOSWELL, and Mr. LEACH) introduced the following bill; which was referred to the Committee on Education and the Workforce

A BILL

To amend the Higher Education Act of 1965 to allow soldiers to serve their country without being disadvantaged financially by Federal student aid programs.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Fairness for America’s
5 Servicemen and Women in Higher Education Act of
6 2003”.

1 **SEC. 2. REFUND POLICY.**

2 Section 484B(b)(2) of the Higher Education Act of
3 1965 (20 U.S.C. 1091b(b)(2)) is amended by adding at
4 the end the following:

5 “(D) STUDENTS ON ACTIVE DUTY DURING
6 A WAR OR NATIONAL EMERGENCY.—Notwith-
7 standing subparagraphs (A), (B), and (C), a
8 student who withdraws from an institution of
9 higher education to serve on active duty during
10 a war or national emergency shall not be re-
11 quired to repay any grant assistance that is
12 otherwise required to be repayed under this sec-
13 tion.”.

14 **SEC. 3. DEFERMENT DURING ACTIVE DUTY.**

15 (a) FFEL SUBSIDIZED LOANS.—Section
16 428(b)(1)(M) of the Higher Education Act of 1965 (20
17 U.S.C. 1078(b)(1)(M)) is amended—

18 (1) in clause (ii), by striking “or” after the
19 semicolon;

20 (2) in clause (iii), by inserting “or” after the
21 semicolon; and

22 (3) by inserting after clause (iii) the following:

23 “(iv) during which the borrower—

24 “(I) is a member of a regular
25 component on active duty during a
26 war or during a national emergency

1 declared by the President or Congress,
2 and receives compensation described
3 in section 112(a) of the Internal Rev-
4 enue Code of 1986;

5 “(II) is on active duty under sec-
6 tion 688, 12301(a), 12301(d),
7 12301(g), 12302, 12304, 12306,
8 12307, or 12406, or chapter 15 of
9 title 10, United States Code, or any
10 other provision of law, during a war
11 or during a national emergency de-
12 clared by the President or Congress,
13 regardless of the location at which
14 such active duty service is performed;
15 or

16 “(III) in the case of a member of
17 the National Guard, is on full-time
18 National Guard duty (as defined in
19 section 101(d)(5) of title 10, United
20 States Code) under a call to active
21 service authorized by the President or
22 the Secretary of Defense for a period
23 of more than 30 consecutive days
24 under section 12402 of title 10,
25 United States Code, or section 502(f)

1 of title 32, United States Code, for
2 purposes of responding to a national
3 emergency declared by the President
4 and supported by Federal funds.”.

5 (b) DIRECT SUBSIDIZED LOANS.—Section 455(f)(2)
6 of such Act (20 U.S.C. 1087e(f)(2)) is amended—

7 (1) by striking the period at the end of sub-
8 paragraph (C) and inserting “; and”; and

9 (2) by adding at the end the following new sub-
10 paragraph:

11 “(D) during which the borrower—

12 “(i) is a member of a regular compo-
13 nent on active duty during a war or during
14 a national emergency declared by the
15 President or Congress, and receives com-
16 pensation described in section 112(a) of
17 the Internal Revenue Code of 1986;

18 “(ii) is on active duty under section
19 688, 12301(a), 12301(d), 12301(g),
20 12302, 12304, 12306, 12307, or 12406, or
21 chapter 15 of title 10, United States Code,
22 or any other provision of law, during a war
23 or during a national emergency declared by
24 the President or Congress, regardless of

the location at which such active duty service is performed; or

“(iii) in the case of a member of the National Guard, is on full-time National Guard duty (as defined in section 101(d)(5) of title 10, United States Code) under a call to active service authorized by the President or the Secretary of Defense for a period of more than 30 consecutive days under section 12402 of title 10, United States Code, or section 502(f) of title 32, United States Code, for purposes of responding to a national emergency declared by the President and supported by Federal funds.”.

(c) CONSOLIDATION LOANS.—Section 428C(b)(4)(C)(ii) of the Higher Education Act of 1965 (20 U.S.C. 1078–3(b)(4)(C)(ii)) is amended—

(1) in subclause (II), by striking “or” after the semicolon;

(2) in subclause (III), by striking “or (II)” and inserting “, (II) or (III)”;

(3) by redesignating subclause (III) (as so amended) as subclause (IV); and

1 (4) by inserting after subclause (II) the fol-
2 lowing:

3 “(III) by the Secretary, in the case of a
4 consolidation loan of a student who is on an ac-
5 tive duty deferment under section
6 428(b)(1)(M)(iv); or”.

7 (d) FFEL UNSUBSIDIZED LOANS.—Section 428H(e)
8 of the Higher Education Act of 1965 (20 U.S.C. 1078–
9 8(e)) is amended by adding at the end the following:

10 “(C) Notwithstanding subparagraph (A), inter-
11 est on loans made under this section for which pay-
12 ments of principal are deferred because the student
13 is on an active duty deferment under section
14 428(b)(1)(M)(iv) shall be paid by the Secretary.”.

15 (e) DIRECT UNSUBSIDIZED LOANS.—Section 455(f)
16 of such Act (20 U.S.C. 1087e(f)) is amended by adding
17 at the end the following:

18 “(5) INTEREST DURING ACTIVE DUTY
19 DEFERMENTS.—Notwithstanding paragraph (1)(B),
20 interest on loans under this part for which payments
21 of principal are deferred because the student is on
22 an active duty deferment under paragraph (2)(D)
23 shall be paid by the Secretary.”.

1 (f) PERKINS LOANS.—Section 464(c)(2)(A) of the
2 Higher Education Act of 1965 (20 U.S.C.
3 1087dd(c)(2)(A)) is amended—

4 (1) in clause (iii), by striking “or” after the
5 semicolon;

6 (2) in clause (iv), by inserting “or” after the
7 semicolon; and

8 (3) by inserting after clause (iv) the following:

9 “(v) during which the borrower—

10 “(I) is a member of a regular
11 component on active duty during a
12 war or during a national emergency
13 declared by the President or Congress,
14 and receives compensation described
15 in section 112(a) of the Internal Rev-
16 enue Code of 1986;

17 “(II) is on active duty under sec-
18 tion 688, 12301(a), 12301(d),
19 12301(g), 12302, 12304, 12306,
20 12307, or 12406, or chapter 15 of
21 title 10, United States Code, or any
22 other provision of law, during a war
23 or during a national emergency de-
24 clared by the President or Congress,
25 regardless of the location at which

1 such active duty service is performed;
2 or

3 “(III) in the case of a member of
4 the National Guard, is on full-time
5 National Guard duty (as defined in
6 section 101(d)(5) of title 10, United
7 States Code) under a call to active
8 service authorized by the President or
9 the Secretary of Defense for a period
10 of more than 30 consecutive days
11 under section 12402 of title 10,
12 United States Code, or section 502(f)
13 of title 32, United States Code, for
14 purposes of responding to a national
15 emergency declared by the President
16 and supported by Federal funds.”.

17 (g) EFFECTIVE DATE.—The amendments made by
18 this section shall apply with respect to loans for which the
19 first disbursement is made on or after July 1, 1993, to
20 an individual who is a new borrower (within the meaning
21 of section 103 of the Higher Education Act of 1965 (20
22 U.S.C. 1003)) on or after such date.

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